

CARRIZO OUTLOOK

Published Weekly in the interest of Carrizozo, and Lincoln County

VOL. X NO 43

CARRIZO, LINCOLN COUNTY, NEW MEXICO, FRIDAY, OCTOBER 13, 1916

PRICE \$1.50 PER YEAR

THE FIGHT ON MR. HUBBELL

Candidate From Bernalillo
County Sure of Success Re-
gardless of the Fight Dem-
ocrats are making on Him.

WHAT HAS A. A. JONES DONE FOR NEW MEXICO

Every man in New Mexico who is willing to "work" in the harness of the Democratic state machine united in the early days of this campaign in a skillfully devised "talking" campaign against Frank A. Hubbell. Each and every one of the "tellers" was instructed to say to his neighbor and friends, his acquaintances and to every one who would listen "it looks bad for Hubbell". They talked this neat "sentiment" all over the state and for a time they talked themselves into a real belief that it was true. The Democratic managers were jubilant over what they deemed the success of the "sentiment". They too were fooled by the noise of their own people.

The Democratic managers have waked up with genuine amazement to the fact that Republicans throughout New Mexico are lined up solidly behind Frank A. Hubbell. The only prominent exception is Gillie Otero whom Mr. Hubbell once defeated in a party contest and who sought revenge by initiating the libel campaign against the Republican candidate for the United States Senate. Gillie is prominent in this campaign wholly because some one put him over on the Democratic convention. His own party had long since discarded him.

But the thing which most amazes the Democratic bosses, including Mr. Jones, is the fact that the people of this state have dared to presume to inquire into the Jones record. It has astounded the Democratic campaigners that their assurance to the people that Mr. Jones is a high minded statesman has been questioned. They cannot understand why the voters should be demanding to know what Jones has done for New Mexico; what has been his record in Washington; what has been his record in Las Vegas among his neighbors; how they regarded him and his right to stand before the people with a demand for the highest honor the people have to bestow. Yet they have been forced to face the facts that the people are asking these questions and they are seeking to answer them by increasing the output of noisy and malicious slander. They are trying the old expedient of making a noise about the other man in an effort to distract from the record of their own candidate.

A great many Democrats believed that Mr. Jones has gently been instilling into their minds over a number of years; that he is a high principled, dignified spotless citizen, high above the heads of ordinary men; that he is a "born leader"; a man sought by those in high places; a statesman. The Jones campaign for the nomination was conducted with consummate skill. The candidate held aloof, so far as the rank and file of his party could ascertain, while the strings were put out here and there and tied about the various "bosses" until in an auspicious moment, they arose and acclaimed Mr. Jones "our hero" and took the crowd along with them.

This system worked admirably in the nominating campaign,

where only party leaders were to be considered, but now it has come down to the question of records and a comparison thereof. The Democratic campaign managers, and their newspapers, by the very malice of their attacks on Mr. Hubbell have caused the people to wake up and demand to know the facts in the record of Mr. Jones in public office and in private life. The Democrats have answered that "Jones is a statesman" and Jones himself admits it. But they go no further and the voters have now begun to demand the reason why.

Mr. Hubbell is proceeding calmly on his way, carrying out his campaign among the people. He is not posing as anything but that which he is; a plain, successful, hard working business man, accustomed to getting what he goes after because he has the energy and the ability to succeed. Hubbell has sued millionaire Cutting at Santa Fe for \$50,000, because Cutting caused his paper to call Hubbell an embezzler and other unpleasant names. Having attended to this detail in a business like way, through competent attorneys whom he expects to be successful, Mr. Hubbell has turned his attention to the business of the campaign which in his case does not consist of prayerful eloquence from an elevation high above the heads of the people; but of personal conversation with the voters; of assurances to Republicans of his stand upon national issues; of plain statements of his position upon the questions before state and nation. Mr. Hubbell is making a hard campaign. He is seeing twice as many people every day as Mr. Jones is seeing. He is sailing under no false colors. He is not posing. He does not fear his record either in public or private life. He is before the people with an honest, straightforward desire to be elected and with the knowledge in his own mind and in the minds of all those who know him, that if he is elected to the United States Senate, he will make a useful senator to his state and to his country.

In his home town of Albuquerque, Mr. Hubbell's ancient enemy the Journal has renewed its ancient slanders against Mr. Hubbell. But the people of Albuquerque have wearied of the shifty political course of the Journal and of its ever recurring assaults upon practically every man who achieves a place in the public eye. The people know Mr. Hubbell's whole life story. They know how he worked his way up to commercial success. They know his ideal family and home life. They are personally acquainted with his sons and daughters. They do not take much stock in attacks upon him which they know personally to be lies.

The Democratic talking organization still is croaking its refrain "It Looks Bad For Hubbell". They are still "conceding everything but the Senator", but the play is becoming very weak, for everywhere they go to the Democratic candidates and their managers are seeing the Hubbell strength. They have learned that it is not an easy matter to beat a man whom the people know and respect, with a man about whom the people have only been told "here is a statesman—vote for him."

Up to this time A. A. Jones has brought to this campaign nothing but a pose. The people are demanding something more. They want to know more about the man. They want to know his history. They want to know what he has done for his neigh-

Continued To Page Three

THE WRECK OF THE FIRST STATE BANK

THE TRAGIC STORY OF THE ILL-FATED BANKING INSTITUTION IN LAS CRUCES, NEW MEXICO, WHICH TOOK WITH IT TO RUIN THE MONEY OF NEAR SIX HUNDRED INNOCENT DEPOSITORS WHO TRUSTED THE McDONALD DEMOCRATIC STATE ADMINISTRATION AND WHO WAITED IN VAIN FOR OFFICIAL HELP OR A WORD OF WARNING.

SACRED STATE SCHOOL FUNDS USED FOR PAYMENT OF DEMOCRATIC POLITICAL DEBTS

An Accurate Statement From the Public Records of New Mexico Concerning the Darkest Chapter in the History of Banking in This State and of Public Administration of Banking Regulation, With Verbatim Quotations From the Testimony Given Under Oath by Officials of the McDonald Administration.

THE First State Bank of Las Cruces failed December 8, 1914, with a crash felt all through the state. The bank had been looted by the president, T. R. H. Smith, and his creatures, of something in excess of \$145,000.

The failure left a trail of misery and indignation in the Mesilla valley and it all but "broke" the New Mexico State College of Agriculture and Mechanical Arts, funds of which were deposited there.

Governor W. C. McDonald and his appointee, Howell Ernest, state traveling auditor and bank examiner, had known for months that the bank was insolvent. They had known that T. R. H. Smith, his family and friends were appropriating the bank's money and giving worthless notes as security.

The governor and his banking department sat by permitting the dearly got savings of struggling householders, farmers, widows and children to be confiscated month after month until there was nothing left to grab and the grim travesty on banking came to an end.

Governor McDonald did not so much as lift a finger to save the nearly 600 innocent depositors of the First State Bank from exploitation and ruin. Although he knew nearly a year before the crash that the bank was busted, the governor did not take a single step to protect the funds of the State Agricultural College, of which public institution he, by virtue of being chief executive, was ex-officio a regent and the head.

From Governor McDonald and his subordinate, the state bank examiner, to whom they had the right to look for protection against bank looters, the 600 men, women and children who were depositors of the First State Bank got nothing but cruel neglect and indifference. Many of them were poor ranchers and wage-earners. Ninety-four of them were women. Any number were "wiped out" by the bank failure; all the money they had in the world was gone.

Nor did Governor McDonald give any more consideration to the fate of the State College funds. That money, belonging to the young people of the state of New Mexico for their education in agriculture and the practical arts, went with the rest into the clutches of the Smith family. The governor did not interfere, nor did his appointees, the bank examiner.

Nothing was done by Governor McDonald except that, perhaps in grateful remembrance of the First State Bank's contribution to his party's campaign fund in 1911, he permitted T. R. H. Smith to continue his ruthless bank wrecking. The First State Bank of Las Cruces financed the Democratic Pro-McDonald campaign in Dona Ana county in 1911, later paying itself back—with interest from the State College funds.

In October, 1913, the capital of the First State Bank was impaired to the extent of 85 per cent. The institution was virtually insolvent. On top of that, its president had deceived the state banking department and had been indicted on an embezzlement charge. Bank Examiner Ernest knew this. Governor McDonald knew it, too. Ernest said he kept the governor fully informed about the bank. It is so stated clearly in the sworn public record.

By January, 1914, the impairment of the bank's capital had mounted to 150 per cent. Bank Examiner Ernest stated that a bank so impaired was insolvent.

Governor McDonald could not help knowing the condition of the bank—nearly a year before the final smash—because he and Ernest went to Las Cruces in January, 1914, and investigated. The bank was drenched with worthless notes. The bank examiner said so at the time. Yet neither he nor the governor moved to close the institution. After the governor had meandered down to Las Cruces that time and learned all over again that the First State Bank was insolvent, he went back to Santa Fe and did nothing. Touched by this indication that the state authorities would not interfere with them, T. R. H. Smith and his gangsters in questionable finance gobbled more and more of the bank's assets—then the inevitable collapse.

All this is a matter of public record. It is set out in detail in the report of the joint legislative committee appointed to investigate the Las Cruces bank failure and the affairs of the State College. This public record proves that Governor McDonald knew, all the time, that the persons who looted the bank and grabbed the money of the state and the people of the Mesilla valley were Governor McDonald's political retainers.

The Amazing Banker Smith. To go back a bit into the story of this amazing fraud which McDonald's administration allowed to be perpetrated:

T. R. H. Smith went to Las Cruces and established the First State Bank. He was the president and chief stockholder. There was jugglery of money between Smith's bank and the First State Bank of Tucuman. The Tucuman bank failed and in connection therewith T. R. H. Smith was indicted by the grand jury at Tucuman on a charge of embezzlement and conspiracy to embezzle.

In that Tucuman failure and the indictment, Governor McDonald's state banking department found out what manner of man was T. R. H. Smith. Not that the bank examiner or the governor utilized this information to safeguard the funds of the State College and the people of Las Cruces, but they had it. It is shown in the public record.

They Knew the Smith Record. According to the testimony of L. B. Wooters, assistant traveling auditor and bank examiner, he learned in October, 1913, that T. R. H. Smith had lied when he wrote about the transaction between the Las Cruces bank and the Tucuman bank. He found the proof of Smith's deception in the letter files of the Tucuman bank after the failure. Here it is from the public record, (page 304):

Question: "Was that the first time that you realized that Smith was trying to deceive the auditor's office?"

Answer (by Wooters): "Well, I found those things out when I was down there. I learned that before I saw those letters."

Q. "Whereabouts?"

A. "When I was examining the First State Bank of Las Cruces in October."

This was in October, 1913, it will be remembered. Assistant Examiner Wooters not only got the hunch then that Smith's word was not to be trusted, but he found that the capital of the Las Cruces bank had been impaired to the extent of 85 per cent. Thus the bank was virtually insolvent. The governor and his traveling auditor did nothing.

Q. "You found out the balance was not correct?"

A STATEMENT BY H. O. BURSUM

To the People of New Mexico in Which He Makes Some Clean Cut Statements Concerning His Record.

BELIEVES OFFICIAL RECORDS SHOULD BE PUBLISHED

I believe in the right of newspapers to criticize the acts of public officials and to pass judgment based upon their records.

I believe it is right that newspapers should inquire into the fitness, the equipment and the character of men who are candidates for public office, and that they should publish the facts.

I have been averse to taking any action which might seem to restrict in any way the fullest freedom of the newspapers of New Mexico to examine into and criticize my own official record and to pass upon my own fitness as a candidate. For this reason I have maintained silence over a number of years during which viciously libelous and malicious attacks have been made upon me by newspapers influenced and controlled by my political enemies.

The Morning Journal of Albuquerque, owned by D. G. Grant of Los Angeles, California, and managed by D. A. Macpherson of Albuquerque, has been most active in this kind of assault upon me, both as regards my public acts and as to my private business and personal affairs. The Journal's attacks began nearly ten years ago and have been continued from time ever since. I have never known and do not know now any reason for the peculiarly bitter and vicious hatred which these men appear to hold toward me. I have had neither personal nor business relations with them and have never wronged them. They have assailed me relentlessly, without truth, without honesty, without principle, without justice.

Originally the Morning Journal based its attacks upon me on charges brought against me by political enemies to the effect that I had made wrongful use of the funds of the Territorial Penitentiary during my service as Warden of that institution and that I had destroyed or caused to be destroyed certain of the records of that institution.

Neither the political opponents referred to nor this newspaper which published their charges without substantiation or inquiry dared to bring their allegations into any competent court. When these charges were made public I took the only course open to a citizen who has been wronged. I sought trial in a court of justice and was there cleared of every trace of suspicion of wrongdoing and my exoneration was written into the court records of this state in a decree which found that every record book kept at the penitentiary during my wardenship was in evidence and intact, and which decree gave me a judgment and an execution against the Territory of New Mexico in the sum of \$4,833.56, which sum the court found to be due me in my final settlement with the Territory.

Five years ago I was nominated by the Republican party as its candidate for Governor of New Mexico in the first state election. The Morning Journal revived its former libelous publication

Continued To Page Six